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TRANSMITTAL SLIP	DATE 28 Mar 83
TO: Herb Meyer	

TRANSMITTAL SLIP		DATE 28 Mar 83
TO: Charlie Waterman		
ROOM NO. 7E62	BUILDING Hqs. 4	
REMARKS:		
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FROM: Harry Rowen, C/NIC		
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AFRICA AND THE NEXT THREE YEARS

There appears to be general agreement that the political and economic outlook for the African continent over the next three to five years is a gloomy one. But the continued economic deterioration of many parts of the continent should not be allowed to obscure the present and potential brighter spots that are still evident in the continent as a whole.

The catalogue of economic decline follows a familiar pattern for the majority of countries and need not be recounted in detail. The problems fall roughly into three categories: (1) festering sociological conditions--land hunger, population growth, adverse weather conditions and absence of technological skills--for which there can be no immediate cure and which have long been recognized, (2) exogenous conditions such as depressed commodity prices on world markets for African products, sharply increased petroleum costs about which Africans themselves can do nothing, and (3) conditions for which Africans themselves are primarily at fault and which are, at least to some extent, remediable in the near term. Mismanagement of resources, misplaced ideological emphasis, lack of trained manpower, corruption and unrealistic expectations are endemic to the African scene. The result of this combination of conditions, many of which have been slowly becoming more evident since independence, has meant over the past five years a precipitous decline toward bankruptcy for a critical mass of African countries.

Conditions which until recently have been supportable, or whose true danger has been masked by the application of financial band-aids, have only become critical in the past few years with the advent of Western recession and

its worldwide effects. Export revenues have fallen dramatically while the cost of imports have risen, driving some governments to ill-advised ventures in import substitution (as in the case of Kenya). External funding aid has been wasted on grandiose schemes of parastatal industrial development while inadequate incentives to producers has meant that formerly self-supporting countries have been forced to devote needed resources to food imports. The growth rate of food production for black Africa as a whole has been a mere 2% in 1982 and some seventeen countries suffered from low harvests or abnormal food shortages. Food imports did not keep pace with needs. For the coming year the growth rate in African economies is forecast by the Economic Commission for Africa to range between negative and 1.1%.

The catalogue of fundamental ills standing in the way of African development needs no elaboration. For most countries there is little prospect of long-term resolution until growth of foreign exchange earnings can relieve the present debt burden. Temporary assistance through rescheduling and increased external aid will probably prevent most governments from reaching a point of collapse. But until and unless these governments can be brought to a point of effective management of administration and resources little permanent advance can be contemplated. In the short term African governments may be forced to face up to the fact that they do not have the capacity to manage such problems as customs collection, foreign exchange allocation and development project review with available trained personnel and outside experts may have to be made available to oversee these financial activities. Distasteful though this may be to many governments, harking back as it does to nineteenth and early twentieth century imperialism, they may find themselves faced with this as an alternative to withdrawal of international or bilateral

aid. The growing realization on the part of at least some African leaders that their survival depends on continued external assistance may prompt more ready assent to these draconian measures, at least on a temporary basis.

The creditworthiness of many African governments has been undermined in the international financial community at least as much by political as by economic factors. Economic discontent has been at the root of much of the instability of African governments over the past five years but equally important has been the influence of tribalism, corruption and the pervasive feeling on the part of leaders that politics is a zero-sum game in which survival becomes the controlling concern. There is a growing tendency toward revolution from below--that is the overthrow of civilian governments not by army officers (who are frequently content with the fruits offered them by the civilian regimes) but by non-commissioned officers. While the overthrow led by Doe in Liberia has attracted the greatest attention recently, it must be remembered that some of the first African military coups were perpetrated by sergeants--Amin in Uganda, Eyadema in Togo, Bokassa in the Central African Republic, Traore in Mali and Mobutu in Zaire--and their example could lead to others, possibly in Sierra Leone or elsewhere in West Africa.

The fact that overturns of civilian regimes may come from the actions of "other ranks" in the military will have a profound effect both on the style of leadership in African countries and on the character of the regimes which result. The first generation of George Washingtons in Africa was in hindsight made up of a group of superior individuals possessing in many cases a relatively high degree of education and political sophistication as well as a generous endowment of personal charisma. They came up through the nationalist ranks emerging at the top by a process of elimination of other contenders.

They fought for a single, easily understood popular cause which obscured the continuing influence of tribal politics at least for a short period after independence. These leaders also had a singular advantage in that, once in power, they were faced with the relatively simple economic problems of post-colonial administrations and controlled well stocked reserves built up in London or Paris by the former administration. They had the luxury of being able to pursue ideological goals that were frequently incompatible with the colonial economies they ruled and the financial capability to waste accumulated funds on development projects far beyond the abilities of the civil service to manage.

The next generation of leaders, with which we are now living, possess few of these advantages and are faced with enormously more complex problems, political and economic, than were their predecessors. In most cases their education level is far lower, they lack political experience and have no single overriding cause to unite disparate ethnic and economic factions behind them. They frequently have a profound distrust of the Western educated young technocrats in the civil service whose advice they cannot understand and whose technical skills are seen as a threat rather than as a support to their leadership. This group of technically trained civil servants, who are often coequal in age with the young leaders who have seized power, are in many cases only too well aware of the serious economic and administrative straits of their countries, having struggled in vain to make their counsels heard at the top. Too many have resigned themselves to protecting their personal interests by silence and by sharing in the corruption they see around them.

Continued economic disaster and managerial incompetence points up the direction that many African governments will probably go over the coming

years. The political prospect for much of the continent is that of slowly crumbling regimes, plagued by instability and with the constant prospect of overthrow, only to be replaced by a different cast of characters, themselves no more able to cope with the fundamental economic and social problems with which they are confronted. Governments may be toppled by internally fomented coups brought about by failure to live up to the expectations of their peoples or in Muslim areas by religious fundamentalists struggling against the modern world of technology. The most likely candidates to lead these coups will be low ranking noncommissioned military, often inspired by tribal or personal interests. For the most part they will lack either the educational or experience qualifications to lead a government so that much will depend on their being persuaded to listen to advice, both from the educated civil servants and from abroad. Not that they are incapable of learning (as Doe in Liberia has illustrated) but the level of their point of departure is frequently so low that the process may take longer than they are likely to be in office.

For many countries a succession of coups may be expected. Unfortunately, they become less and less relevant to the precarious situation of the economy. One need only look at the examples of Ghana and Upper Volta (where a recent coup, one of many, received virtually no attention in the U.S. press). There are, of course, exceptions to this somber scenario. Nigeria with its oil wealth gives indication that a renewal of a civilian-elected government will be accomplished this year (though not without turmoil). Indeed, if petroleum demand picks up and the government becomes better able to manage its finances, Nigeria may prosper. Ivory Coast, despite its current financial difficulties, has the infrastructure--albeit heavily dependent on French technical

expertise--upon which real progress can still be built depending on the size and conservative exploitation of its oil resources. In Cameroon the recent easy leadership transition and moderate economic development policy gives evidence of continued stability. Similarly, even in the face of economic and political dislocation, Kenya and Zimbabwe show some reasonable prospect of progress.

The present political and economic turmoils of many African countries may, however, in the longer term produce a brighter side than that we now see. Firstly, whatever their internal conditions, African countries will still possess resources in minerals and other commodities that the outside world will need increasingly and for which in many cases no alternative sources or replacements have yet been found. Secondly, the economic strains and the threat of bankruptcy that African governments now face is producing a greater sense of realism on the part of leaders concerning what can be accomplished in development with outside aid. There is a growing acceptance of the limits of the scale of development projects and of the finite boundaries of external aid. There will always be those who seek millennial solutions that produce nothing but disorder and anarchy as the religious fundamentalists have demonstrated elsewhere in the world. But for every one of these there is a Diouf in Senegal and a Mugabe in Zimbabwe who seek progress in limited but more certain avenues. This new realism may well act as a protection of Western investment in Africa. A leader who is fully aware that his country's mines must produce if he is to survive, is less likely to disrupt their operation than one who seeks to nationalize foreign interests for the sake of an ill-defined nationalist ideology. It is unlikely, to take a small example, that an overturn of government in Freetown will impede

production of rutile in a mine two hundred miles south, if the new leaders are aware that this represents a major source of the income that keeps them in power and that without expatriate supervision and foreign capital, the income would dry up.

A new spirit of realism, however tentative, is not confined to Africans. External lenders are more aware of the limitations of African governments to absorb aid and to carry out the projects for which aid is given. The sometimes optimistic expectations of IMF agreements have been dashed too often. African governments are becoming more aware that they must accept stringent economic discipline if they are to share in the declining pot of Western aid, both public and private. Inevitably, the contraction of available external resources will create foci of assistance to fewer countries. Those who are able to comply with IMF or other external restrictions on their economic activity will be those to which available aid will be more likely to go. The new limitations will hopefully encourage the emergence of regional rather than national concentrations of aid resulting in more rational utilization of manufacturing capacities.

Steps toward a fundamental restructuring of public donor aid to avoid duplication of projects and overload of the administrative circuits of receivers would have beneficial effects, but these cannot be applied to all countries at once. If a model can be worked out for one judged most capable of carrying out a redirected aid package, and it is successful in application, the example would not only serve to promote political stability in the recipient but could encourage others to enter into similar arrangements.

Foreign Policies in Africa

Despite the very substantial percentage of national income devoted to defense by African countries, it is unlikely that in the coming three to five years there will be serious armed incursions by black African countries against their neighbors. With very few exceptions, such as Nigeria and South Africa, African armed forces are designed for the protection of domestic political leadership and for suppression of internal dissent rather than for organized aggression against a neighbor. Virtually no African country except Ethiopia and Libya can afford financially to mount a military campaign against a neighbor. Moreover, black African armies suffer from such logistical shortcomings that they would have great difficulty transporting and supporting a sizeable force even as far as their own borders. The Chad Peacekeeping force of last year could only be gotten in place with sizeable monetary and transport assistance from the West.

There will continue to be isolated episodes of low-level hostilities across borders. Ethiopians and Somalis have been skirmishing in the Ogaden over a period of centuries, and it is unlikely that any formal peace agreement will be forthcoming in the near future. Siad's domestic political position is too risky to permit him to make more than gestures toward negotiation to satisfy the West. Cross-border operations are probable in southern Africa by South African forces seeking to suppress any possible aid to the ANC, but the armed forces of the black states are too weak to take any retaliatory action. With the possible exception of the Nigeria-Cameroon border where hostilities over oil rights flare up from time to time and the continued possibility of incursions into Zaire's Shaba province by dissidents from Angola, there

appears to be little chance that fighting of a significant nature could break out.

Internal tensions which now exist and which might arise elsewhere under unforeseen circumstances provide the Soviets with ample opportunity for meddling and for obstruction of U.S. interests. Although Africa is fairly low in the ranking of Soviet priority interests, it can be assumed that Moscow will take advantage of any situations that could destabilize governments friendly to the West. Moreover, the Soviets would be most reluctant to lose any of the leverage they now possess in the three pro-Soviet countries--Angola, Mozambique and Ethiopia--and will apply pressure particularly to the Angolan regime not to permit departure of Cuban forces. Elsewhere in Africa Soviet influence is either marking time or declining somewhat. Those leaders who are feeling the most severe economic pressures fully realize that there is little hope of direct Soviet aid except in the form of arms. Although such help may be attractive, it does nothing to relieve the requirements of international and private lenders to restructure faltering economies. Libyan financial assistance still remains a drawing card, but it has so many strings attached and has so often consisted of unrealized promises that African governments have become wary of it except in cases of critical necessity. Moreover, from the Soviet viewpoint Qadhafi is not always to be relied upon to reflect Soviet interests because he puts his own peculiarly Muslim and personal goals first. For the most part, African regimes are more likely to be threatened by their own mismanagement and by popular discontent at home than they are by Soviet machinations over the next three years.

For their own particular purposes, the Iranians have begun to express a growing interest in West Africa and to a lesser extent in Tanzania. Their

chief concern is to export their particular brand of revolution to those countries with substantial Muslim populations, but a secondary objective is undoubtedly to spike American interests wherever they can. Apart from an appeal to religious fundamentalism, Iran is able to exert strong influence by offers of oil supplies to the cash-strapped countries of West and East Africa. It cannot be assumed that Iranian and Soviet interests are necessarily parallel but any Iranian success in destabilizing moderate West African regimes can only serve Soviet ends in the long term.

The U.S. and Southern Africa

Over the coming five years, U.S. interests are more likely to be concentrated on southern Africa than elsewhere on the continent. The recent history of U.S.-South African relations need not be recounted. Suffice it to say that there would appear to be little argument that the policy adopted under the present administration of constructive engagement is the most viable option open to the U.S. today. Halting steps toward settlement of the Namibian question have been taken and we are closer to a peaceful outcome than at any time in the past, although a wide gap and many hurdles remain before the problem is finally laid to rest. Recent reports of efforts by the South African and Angolan governments to negotiate at least a temporary cease-fire in southern Angola are encouraging but still leave unanswered the future role of Savimbi and UNITA.

In a very real sense, however, the Namibian issue may well become secondary in the overall picture of South African foreign policy. Relations with South Africa's other black neighbors are increasingly moving to the front

of the stage and could affect U.S.-South African relations more profoundly than a continuing Namibian stalemate. After the rejection in 1980 of South Africa's efforts to form a "constellation of states" surrounding it to the north, South African regional policy has become distinctly more aggressive. Its immediate goals appear to be not only to prevent active support for ANC or other guerrilla groups stemming from bases in surrounding countries, but even to eliminate any political relations between the black governments and the insurgent groups. Recent incursions into Mozambique and Lesotho by South African forces and suspicions that they have been involved in raids into Zimbabwe indicate that the South African government feels it necessary to engage not only in attacks on known insurgent concentrations but in preemptive action to repress what the military regards as potential future threats.

The ultimate goals of this new phase of external pressures are at this point far from clear. The strong support offered to the NRM in Mozambique would appear on the surface to be aimed at overthrow of the Machel regime (although South Africa has officially denied any such thought). But it is difficult to see how this would advance South African interests in that, if sufficiently pressed, Machel would feel called upon to call in Soviet or Cuban assistance on a large scale. South Africa has indicated publicly and privately that this would provoke immediate retaliation but substantially increased South African casualties would create domestic resistance to the Botha regime. There is, moreover, no guarantee that pressures strong enough to topple Machel would result in a regime more sympathetic to South African aims--indeed, there is at least an even chance that a more hard-line leadership would emerge backed by outside forces.

The South African government has shown that it is peculiarly sensitive to the rhetoric of black leaders to the north. Any attempt to argue that a greater application of the carrot not the stick is met with the complaint, "How can we deal with people who keep calling us names?". One element of South African policy is clearly concerned with enforcing black respect for South Africa as a nation and as a regional power; if necessary respect will be created by the exercise of naked power should diplomacy fail. Repeated insistence, for example, by South Africa that the Mugabe government deal with it on a basis of equality results in demands for negotiation at the ministerial level between the two governments. When this is not forthcoming, economic punishment is administered by holding up trade and transport agreements. South Africa demands recognition of its status as a regional power even at the cost of alienating Western sympathies. In this quest for respect, there is an element of racialism; essentially the Botha regime is saying that black governments have proved themselves incapable of managing independent administrations, further proving the basic tenets of apartheid.

The South African need for recognition and respect is part and parcel of the firmly held conception that Africa as a whole is dying and that South Africa remains the sole bulwark against the "total onslaught" of the Soviets in black Africa. The continued economic deterioration and the political instability from which these countries have suffered is cited as evidence that black leadership cannot meet "civilized standards." Deep-seated tribal dissension in Zimbabwe and elsewhere only goes to prove the thesis even more fully, as South Africa sees it, and reinforces the view that the homeland structure is the only viable form of state for black Africa. The growing weakness of African governments leads inevitably in the view of Pretoria to

new opportunities for the Soviets to create Marxist states. Even though Moscow clearly does not rate Africa as the most fertile ground for adventurism, it is difficult, if not impossible, to convince the South Africans that theirs is the only correct interpretation. The leadership of the Botha government has repeated publicly and privately that "the red flag shall never fly over Windhoek" and their actions are ultimately based on this perception. A call by Machel in Mozambique for added Soviet assistance or Cuban troops would only serve as demonstration to South Africa of the accuracy of its prediction; in fact it could be argued that Pretoria would welcome an increased Cuban presence in Mozambique as a means of convincing the West that a strong South Africa is a bastion vital to the non-Communist world.

Ironically, an aggressive South African policy toward its neighbors creates the likelihood of a self-fulfilling prophecy. The greater success South Africa has in undermining the economic foundation of its neighbors by denial of transport facilities or other forms of assistance, the more necessary it may become for the black regimes to seek help from the Soviets and their surrogates. If South African pressure, exerted directly or through aid to internal insurgent movements, becomes strong enough to threaten the already fragile stability of governments in Mozambique, Zimbabwe or Zambia, the greater is the opportunity for the Soviets to push moderate black leadership out of office. In pursuing its aim of demonstrating that black governments are inherently incapable of managing their own affairs, the South Africans may be playing the Soviet game so well that the result is exactly what Pretoria claims to fear most--a group of Marxist states in surrounding southern Africa with Soviet influence growing correspondingly stronger on South African borders. This prospect also serves internal South African

domestic interests by deflecting attention from racial discrimination to an external threat.

The United States may, however, find itself in the dilemma of having forcibly to insist on restraint on South Africa's active policy of continued destabilization. Pretoria is, of course, fully aware of the dangers of embarrassing the United States to the point where constructive engagement comes to an abrupt end. Given the need for Western support and the psychological pull toward the U.S. among white South Africans, such an outcome would be far from South Africa's best interests. Accordingly, we may see a number of small steps being taken (such as the current reports of a negotiated cease-fire with Angola and meetings with Mozambican officials) that will encourage the United States to continue its efforts to bring peace to southern Africa. These moves will never go so far as to endanger Pretoria's ultimate goal of protecting the pace of internal South African change, nor will they indicate any fundamental change in Pretoria's view of the Soviet threat.

The United States has no real choice but to continue the tortuous and slow-moving negotiation with Botha's government, but the implementation of constructive engagement may require considerably stronger indications than have hitherto been given that it must be a reciprocal policy. Public and private exhortations to restraint may not be enough to limit Pretoria's ambitions. Active support, even to the point of military assistance, to Mugabe or other southern African leaders to enable them to resist South African incursions may ultimately be the only method of impressing on the South African regime that the benefits of constructive engagement are not to be taken for granted. They entail limitations in the long-range policy ambition of recognition as a regional power that Pretoria may find unacceptable.